

**Housing Authority - County of Los Angeles**

March 30, 2007

To: Each Supervisor

From: Carlos Jackson, Executive Director

**SUBJECT: 2007-08 AGENCY PLAN COMMENTS FROM NEIGHBORHOOD  
LEGAL SERVICES**

At the March 27, 2007 public hearing, your Board considered public comments on the proposed 2007-08 Agency Plan. During the hearing, a representative of Neighborhood Legal Services (NLS) presented a 23-page document which expressed her agency's concerns about the contents of the Plan. Attached is our draft response to the NLS letter. We have forwarded the draft to County Counsel and our Special Counsel, from Brown, Winfield and Canzoneri, for their review. We anticipate providing NLS with the response next week.

NLS' concerns can be separated into three distinct areas - use of Section 8 vouchers, public comment on the proposed Plan, and Agency Plan comments. The following is a summary of our responses.

**Use of Vouchers (not an element of the Agency Plan)**

NLS comments on information reported in a recent news article in the Los Angeles Times. Their primary concern is that we make every effort to fully utilize the 20,550 Section 8 vouchers authorized by HUD.

In a February 27, 2007 update to the Board, our financial impact was stated at a loss of \$33 million in HAP funding. At that time, this reduction in funding was estimated to reduce our ability to lease up vouchers from our authorized level of 20,550 to a sustainable level of 18,000 to 19,000. This funding scenario was predicated on informal guidance provided by HUD which discouraged the use of our reserves to augment the reduction of our budget authority.

On March 29, 2007, I met with the principal consultant who was instrumental in drafting legislation that established the new Section 8 funding formula. As a result of that meeting, I am now more optimistic of our ability to use the reserves to fund our ongoing efforts to improve our lease-up to 98% by December 2007. This viewpoint is further supported by the introduction of a bipartisan bill that will base 2008 Section 8 funding on actual expenditures for calendar year 2007. This bill was introduced on March 29, 2007 by Congresswoman Maxine Waters, Chair, Subcommittee on Housing and Community Opportunity. As we continue to improve our operations and lease-

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up, and maximize the use of our reserves, we should have sufficient funding to support a program level of 20,550 vouchers.

The projections of future funding and a detailed management strategy will be provided to the Board under separate cover.

#### **Required Process for Obtaining Public Comment on the Proposed Plan**

In its letter, NLS implies that we did not comply with HUD regulations on public outreach. We assure you that we are in full compliance and we take exception to the allegations.

- 1) "HACoLA may not have provided adequate access for public inspection of this year's proposed annual plan until after the requisite 45 days before the public hearing on the plan."

The required 45-day public comment period occurred from December 29, 2006 through February 11, 2007. During this time, the public was able to access the 487-page plan on the CDC/HACoLA website, at nine public libraries throughout the County, eleven public housing developments, the South Whittier Resource Center, and our administrative offices in Monterey Park and Santa Fe Springs. The availability of the Plan was advertised in several different ways, including letters to all public housing residents, the Section 8 tenant newsletter, and advertisements in seven different newspapers. Vital parts of the public notice, with instructions on how to obtain copies of the Agency Plan and submit comments, were printed in Spanish and Russian.

In late February, after the public comment period had ended, a representative of NLS called our Santa Fe Springs office to report difficulty accessing the Plan on our website. Staff "walked her through" the steps, and the NLS representative successfully located the Plan.

- 2) "HACoLA failed to respond to advocates and housing attorneys from public interest legal service providers who inquired during the public comment period..."

Elaine Chen, who appeared before the Board representing NLS, placed a call to HACoLA on March 12, 2007. She called the "1-800" telephone number which had been established specifically for public comments on the Agency Plan. Upon receiving her voice message, staff tried almost daily to reach Ms. Chen, leaving numerous messages. She never returned those calls.

Staff diligently tried to reach Ms. Chen in order to obtain her email address. They had planned to forward an electronic copy of the Plan to her. The Plan had been removed from the website at the conclusion of the public comment period. In the future the Plan will remain on the website until it has been approved by HUD.

- 3) "...clients of Public Counsel reported that they were not given access to the plan at the HACoLA's offices in Santa Fe Springs, although they made specific requests during the 45 days preceding the public hearing". Our records indicate that on March 23<sup>rd</sup> a member of the public requested to view the Plan at the Santa Fe Springs office. Although the client appeared nearly 6 weeks after the comment period had concluded, a HACoLA staff person reviewed the Plan with her. We are asking NLS to give us a list of client names and dates that their requests were made, for verification against our records.

NLS states that we did not give Legal Aid Foundation of Los Angeles any notice about the availability of the Plan. On December 29, 2006 the Plan was electronically transmitted to Legal Aid Foundation. We did not forward the Plan to the Coalition to End Hunger in 2006 or 2007. According to our records they have never requested a copy. In the future, we will forward copies to organizations that have previously requested copies. Next year we will send a copy of the Plan to NLS.

#### **Agency Plan Comments**

- 1) Requirements under the Violence Against Women and Department of Justice Reauthorization Act of 2005

The 2007-08 Agency Plan, the Section 8 Administrative Plan and the Admissions and Continued Occupancy Policy (ACOP) for conventional public housing were all amended this year to ensure compliance with the Violence Against Women Act (VAWA). As requested by NLS, we will include in the glossary definitions of some of the more common terms related to domestic violence.

Additional implementation guidance was issued after the public comment period in a February 2007 HUD notice. We are working with our attorneys to develop policies and procedures. One area of concern, however, is the apparent conflict between state and federal law regarding bifurcation of leases. When we have completed the policies, we will determine if Board approval is needed to amend the Plan. It may also be necessary to amend the public housing lease.

It should be noted that we have implemented several requirements of VAWA, as evidenced in our policies. Currently, we do not evict victims of domestic violence from our public housing. Section 8 landlords have been notified of protections under the law afforded domestic violence victims.

2) Requirements Under Title VI of the Civil Rights Act of 1964

We are reviewing HUD's final notice, released in January 2007, affecting persons with "limited English proficiency". We will develop policies and procedures, as needed. We currently publish a summary of the 487-page Agency Plan in English, Braille, Spanish, Russian, Korean and Chinese, and do not believe that we are in violation of Title VI. This practice has been accepted by HUD, because of the document's size.

3) Public Housing Operating Subsidies (not an element of the Agency Plan)

The loss of operating subsidy in the future is due to HUD's modification of the funding formula. We have joined advocacy groups and industry organizations, such as NAHRO and CLPHA, to oppose the change. Thus far, our efforts have been unsuccessful. Our designation as a "decliner agency" is not due to any failure to meet HUD's performance standards, but solely based on the new formula. In 2006, HACoLA was designated by HUD as a "standard performer" in the management of the conventional public housing program.

4) Admission Issues

NLS is urging us to rescind our policy which denies admission to families with members who have violated parole or probation for minor offenses. Our current policy for the Section 8 program denies admission to families with members who are currently serving out a sentence of probation or parole, regardless of any violation. We had considered relaxing this policy. However, after further consideration we are recommending that the existing policy remain in place. Affected individuals may reapply upon completion of their service.

5) Continued Occupancy Issues

NLS has asked us to reconsider the bar on allowing adult children, except those returning from the military duty, from rejoining the family. We understand that there may be circumstances requiring an adult son or daughter to be added to the Section 8 lease. We will give this matter full consideration, and if necessary include new provisions in the 2008-09 Agency Plan.

6) Public Housing Vacancies (not an element of the Agency Plan)

NLS has made inaccurate assumptions regarding public housing vacancies. They have extrapolated information from recent Board letters and other sources, and formed incorrect conclusions about vacancies and unit turnaround time. We always strive to reduce the time that units remain vacant; it is monitored regularly. At times it is necessary to remove units from the rent rolls for major renovation. We can provide NLS with the number of vacant units among our conventional housing inventory, but we would caution them about drawing conclusions that may not be accurate.

NLS refers to the "board-up security system" which will be utilized for normal unit turnover and during major renovation. Ujima Village, specifically mentioned in their letter, is not a part of the Agency Plan, because it is not conventional public housing. The Ujima Village issues are under discussion with Supervisor Burke and her staff.

7) Section 3 (not an element of the Agency Plan)

NLS is requesting that additional information on the Section 3 Plan be added to the Agency Plan, including commitments that 30% of all HACoLA and vendor new hires be Section 3 persons and preferential hiring of public housing residents. Under Section 3, our vendors are required to make a best effort to hire low-income persons. We believe that the Agency Plan is not the appropriate document to include additional Section 3 information.

The CDC/HACoLA has a comprehensive Section 3 Compliance Plan that incorporates goals set by HUD and also provides procedures for implementation. Under our Section 3 Compliance Plan, we can impose goals, but not quotas on our vendors. A copy of the Compliance Plan will be made available to NLS.

Section 3 status is a consideration in our hiring practices in the case of two equally qualified candidates. Job applicants are not required to reveal their Section 3 status; it is strictly a voluntary disclosure.

8) Project-Based Vouchers

NLS is urging us to commit Section 8 project based voucher to the 85<sup>th</sup> & Miramonte site. The site will be used for affordable housing, either multi-family or for-sale units. We will work closely with the future developer to create the most suitable financing structure and utilize the most appropriate resources available at the time.

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9) RAB membership and Outreach Activities

Due to confidentiality concerns, we do not plan to release the names of the Resident Advisory Board (RAB) Members. We will provide a list of housing developments represented by the RAB members, and the cities in which the Section 8 participants live.

We will finalize the attached letter and clear it through County Counsel. We will mail our response to NLS no later than Friday, April 6, 2007. We are willing to meet with them to further explain our response to several of their concerns.

If you have any questions, please contact me or have your staff contact Bobbette Glover, Assistant Executive Director, at (323) 890-7400.

c: Each Deputy

Attachment